

1 assistance in the traditional sense. People will call  
2 directory assistance for a couple of reasons; one,  
3 they do not have a directory, or they -- the directory  
4 they have does not have the listing that they're  
5 seeking, perhaps a new resident, or just don't want to  
6 go get it.

7           You know, they might just choose that it's  
8 easier to go ahead and call directory assistance and  
9 get the information; and I think the same thing is  
10 true in electronic format. CD ROM placed in a  
11 computer would be roughly the equivalent of a paper  
12 telephone directory, which you could look up your own  
13 listing if -- however, if you can't find the CD, it's  
14 scratched, for some reason it doesn't work, and you  
15 can still get into your computer, you can go in and  
16 look up the Internet service. It's there whenever you  
17 want it and whether or not you have a directory at  
18 your disposal. To me, that's the difference.

19           **CHAIRMAN JOHNSON:** Say that again. The  
20 difference is if you have -- between the CD ROM and  
21 the print directory, having the Internet access, how  
22 is -- I guess you were saying it was more like  
23 directory assistance.

24           **WITNESS JUNEAU:** It's a look-up service.  
25 You know, it's similar to directory assistance. You

1 call directory assistance for a specific listing for  
2 whatever reason that you don't have it by way of a  
3 directory. Whether you choose to use it or do not  
4 have a directory it's an alternative that provides you  
5 the number in the absence of that directory.

6           The Internet is essentially the same thing.  
7 It's just not tended by an individual. You just do  
8 your own search, but it's a look-up that you can  
9 configure yourself without the benefit of the  
10 directory. And in the absence of any directory in  
11 hand, any paper directory, any CD ROM, any other type  
12 of directory, you can go into the Internet and look up  
13 a directory listing. It's identical, in our opinion,  
14 to directory assistance that BellSouth provides.

15           **COMMISSIONER CLARK:** It sounds to me like  
16 what you're saying is the difference is it's in a  
17 remote location and you have to go outside your living  
18 room where you might have your phone book or your  
19 computer, and you have to go seek the information from  
20 an off-premises source.

21           **WITNESS JUNEAU:** Well, Commissioner, that,  
22 in one regard that's true. It's an alternative to  
23 using a physical directory.

24           **COMMISSIONER CLARK:** So is a CD ROM.

25           **WITNESS JUNEAU:** And a CD ROM is an

1 alternative to the paper directory, but it basically  
2 provides you the same thing. It's a complete list of  
3 all the directory -- all the directory listings, and  
4 you can use your keyboard and your computer to look  
5 just as you would flip through the pages of a paper  
6 directory.

7           **COMMISSIONER CLARK:** Which is the same thing  
8 you would do on the Internet.

9           **WITNESS JUNEAU:** But there is -- to me, the  
10 difference there is that in the absence of any  
11 directory, you can still go into the Internet. If you  
12 have no CD ROM directory and you have no paper  
13 directory but you do have your computer linked to the  
14 Internet, you have directory assistance service. You  
15 can look up an individual listing right there without  
16 the benefit of any directory being available.

17           **CHAIRMAN JOHNSON:** Okay. That's  
18 interesting, because in the absence of the computer --  
19 I'm having a problem with that logic. In the absence  
20 of the printed directory, certainly you can't look up  
21 the numbers if that's the only source you have, but in  
22 the absence of having Internet, you can't look it up  
23 either.

24           The distinction that Commissioner Clark made  
25 was the only distinction that I could follow

1 completely and understand.

2           **WITNESS JUNEAU:** But, Chairman, and to back  
3 into that description too, in the absence of a printed  
4 directory, in the absence of a CD ROM and no link to  
5 the Internet, but if you have your telephone, you can  
6 go back to directory assistance. It seems to me to be  
7 an equivalent service to what you can get on the  
8 Internet. It's used pretty much the same way. A  
9 person who goes --

10           **COMMISSIONER GARCIA:** Isn't a CD ROM used  
11 exactly the same way?

12           **WITNESS JUNEAU:** Yes, Commissioner, it could  
13 be used the same way. The difference is, though,  
14 again, just like a paper directory, if you can't find  
15 it or for some reason it was out of date, potentially  
16 the Internet is going to stay updated and be more  
17 current. A CD ROM is dated. It becomes obsolete or  
18 begins to obsolete at the point it's --

19           **COMMISSIONER GARCIA:** Isn't that pretty much  
20 what your argument -- isn't that precisely what the  
21 companies want is to have their service be able to be  
22 updated, their directory to be updated, and isn't that  
23 the problem?

24           I mean, forget the Internet. You say that  
25 the Internet, except for the advantage that you just

1 placed on the Internet comparing it to directory  
2 assistance, meaning that it's up-to-date information,  
3 that's precisely what the complainants here want is  
4 up-to-date information, isn't it?

5 WITNESS JUNEAU: Well, it's -- if the  
6 purpose is to publish -- that's true, what they want.  
7 They want up-to-date information, but I've heard it  
8 stated for a different purpose. The purpose was have  
9 up-to-date information for the delivery of directories  
10 and to sell Yellow Pages advertising, but not to  
11 provide directory assistance service.

12 COMMISSIONER GARCIA: Which is one of the  
13 things that you'd like is definitely not to have  
14 directory assistance, for them to provide that;  
15 correct?

16 WITNESS JUNEAU: Not under the DPDS tariff.  
17 Under the DADS tariff --

18 COMMISSIONER GARCIA: Right.

19 WITNESS JUNEAU: -- we would be willing to  
20 sell to anyone, yes.

21 COMMISSIONER CLARK: In your mind, why is it  
22 appropriate to have two separate tariffs for providing  
23 the same information?

24 WITNESS JUNEAU: Commissioner, the reason is  
25 that they -- the value of that information as it's

1 used is different. The directory assistance, because  
2 of its value to the customer, creates a value to the  
3 directory assistance provider. The directory, the  
4 published directory, has a different value in our  
5 estimation.

6 COMMISSIONER CLARK: Let me ask you one  
7 follow-up question. Why is it appropriate to price  
8 this based on market as opposed to cost plus a  
9 reasonable contribution? Why is this particular  
10 service appropriately priced that way as opposed to  
11 the cost?

12 WITNESS JUNEAU: Which one are you speaking  
13 of?

14 COMMISSIONER CLARK: Why is it appropriate  
15 to tariff both DPDS and DADS at a market price as  
16 opposed to cost plus a reasonable contribution? And I  
17 would define that as being 12%.

18 WITNESS JUNEAU: I think I'm giving you the  
19 same answer and I don't want to seem like I'm evading  
20 it. But it's based on the value that that service has  
21 to the user, and it's not just the directory provider,  
22 but it's to the end user of the directory itself for  
23 the directory assistance service itself. And in  
24 setting the market rate, you know, again we thought  
25 coming into this that we had set a very, very low

1 market rate.

2 COMMISSIONER CLARK: Let me ask it  
3 differently. Maybe that's what the confusion is.  
4 There are some services that under our  
5 Telecommunications Act, meaning the state  
6 Telecommunications Act, and the Federal  
7 Telecommunications Act that tell you how you can price  
8 various services, and some of those services are  
9 TELRIC or TSLRIC, but as I understand it, the notion  
10 of the TELRIC is marginal cost plus a reasonable --

11 WITNESS JUNEAU: Which one was that?

12 COMMISSIONER CLARK: TELRIC, I think. I get  
13 them confused. Really, what I'm getting at is why for  
14 these services is it appropriate for you to look at  
15 value of service as opposed to what it costs you to  
16 provide the service?

17 WITNESS JUNEAU: In this situation -- I  
18 mean, in one of the interrogatories we responded that  
19 it was based on the TSLRIC cost, and I am not a cost  
20 expert and don't portray to be, but one significant  
21 difference that I'm aware of is that the cost in a  
22 TSLRIC or just a common incremental cost study is not  
23 complete cost. That is direct cost. It doesn't  
24 include any indirect loadings or overheads. It is  
25 simply the direct cost of providing the service.

1           **COMMISSIONER CLARK:** I just want to know why  
2 is it appropriate to price these services on the value  
3 in the market as opposed to what it cost you plus a  
4 reasonable contribution?

5           **WITNESS JUNEAU:** Commissioner, I guess I  
6 can't get to that answer because I wasn't aware that  
7 what we had done was inappropriate. I don't mean to  
8 be evasive to you. I know that you have tried to ask  
9 me several ways, and I'm not coming back to any  
10 different answer and I don't mean to be that way, but  
11 I didn't realize we were perceived to be inappropriate  
12 in our structure.

13           **COMMISSIONER CLARK:** Okay.

14           **Q**        **(By Mr. Pellegrini)** Just a final question,  
15 Mr. Juneau. One of Staff's key concerns in this  
16 proceeding is whether independent publishers could  
17 utilize the information procured under DPDS to avoid  
18 the DADS tariff.

19           **A**        Right.

20           **Q**        I'm certain you understand this. In one  
21 view, an Internet home page is really nothing more  
22 than perhaps a more current version of what's  
23 available in a printed directory; and if you accept  
24 that, then how would you preserve the distinction  
25 between directory assistance and directory



1 publication?

2       A     The distinction we make is that the  
3 directory itself is -- when it is published it's a  
4 complete listing at that point in time of every name,  
5 address and phone number available, whereas a  
6 directory assistance service would be updated  
7 continually, and it's subject to individual look-up in  
8 the absence of that directory or the choice of not  
9 using the directory.

10       Q     So the difference really amounts to one of  
11 currency?

12       A     Currency and the use you choose to make of  
13 it. It is a convenience. It's -- you know, you may  
14 not want to go look for your directory for the cost of  
15 a DA call. It is a choice, and certainly someone who  
16 makes a DA call has either made that choice because  
17 they don't have the directory or they just don't want  
18 to go get it.

19               There obviously is a value in their mind  
20 that that DA call then is worth not walking upstairs  
21 to get the directory or not looking through the house  
22 or some other reason. It's just more convenient. So  
23 therein lies the value to the customer, and on that  
24 basis then we have perceived that it has a value to  
25 BellSouth and any other directory assistance provider.

1           MR. PELLEGRINI: Thank you, Mr. Juneau. We  
2 have no further questions.

3           CHAIRMAN JOHNSON: Commissioners? (No  
4 response.)

5           I have one question on your rebuttal, Page  
6 7. You stated that Mr. Screven -- or the question  
7 was, "Mr. Screven indicates that customer address  
8 information associated with unpublished numbers should  
9 be provided with the weekly business activity report.  
10 Is that appropriate."

11           And I believe your main if not your only  
12 rationale was that it's not appropriate because it  
13 would compromise the service that BellSouth offers to  
14 customers who pay to have their numbers omitted from  
15 directories.

16           WITNESS JUNEAU: Yes, Chairman.

17           CHAIRMAN JOHNSON: I had some concerns with  
18 that particular issue. I understand your general  
19 proposition here, but there are several services that  
20 BellSouth now offers that may compromise that  
21 particular service, are there not? The caller ID box;  
22 if you're an unlisted customer and you call someone,  
23 will not your number and name show up?

24           WITNESS JUNEAU: I don't know, Chairman. I  
25 don't know the answer to that question. I did not

1 think so, but I certainly am not sure.

2           **CHAIRMAN JOHNSON:** Could you give me a  
3 late-filed just to answer that question, and say that  
4 just in the context of this proceeding? Because  
5 someone had called me and that was one of their  
6 customer complaints, that they had an unlisted number  
7 but it shows up if someone has a caller ID box. But  
8 for purposes of this question and the way that you  
9 answered it, could you provide me with a late-filed  
10 response and the question that I'd like for you to be  
11 able to respond to is if someone has an unlisted  
12 number and they call someone with one of those caller  
13 ID boxes, will their name and number appear in that  
14 particular box, and is that not a service that  
15 BellSouth offers.

16           **WITNESS JUNEAU:** Yes, Commissioner, we'll  
17 add that to our late-filed exhibits.

18           **CHAIRMAN JOHNSON:** And I'll mark that as  
19 Late-filed 9 and I'll name it Caller ID Question.

20           **WITNESS JUNEAU:** Certainly.

21           (Late-Filed Exhibit 9 identified.)

22           **CHAIRMAN JOHNSON:** Redirect?

23           **MR. CARVER:** No redirect.

24           **CHAIRMAN JOHNSON:** Exhibits? Exhibit 4, I  
25 believe --

1           MR. PELLEGRINI: Staff would offer Exhibits  
2 4, 5, and 6.

3           CHAIRMAN CLARK: Show those admitted without  
4 objection.

5           (Exhibits 4, 5, 6 received in evidence.)

6           WITNESS JUNEAU: Let me just clarify. Those  
7 are the three that are MLJ-1, 2, and 3?

8           CHAIRMAN JOHNSON: Yes.

9           WITNESS JUNEAU: That's correct.

10          CHAIRMAN JOHNSON: We have Late-filed  
11 Exhibits, 2, 7, 8 and 9.

12          MR. PELLEGRINI: That's correct, Chairman.

13          CHAIRMAN JOHNSON: Do we have any  
14 information as to how much time it would take to  
15 supply these or how much time should we give the  
16 parties to supply the information we requested?

17          MR. PELLEGRINI: What's a reasonable time?

18          CHAIRMAN JOHNSON: The witness appears to  
19 have some response to BellSouth's late-filed.

20          WITNESS JUNEAU: Would it be appropriate for  
21 me to ask the person that might be preparing the  
22 late-filed exhibits what an appropriate time would be?  
23 I'm not sure if I said a week or a month, which one  
24 would be more appropriate?

25          CHAIRMAN JOHNSON: Staff, how would you

1 suggest we proceed?

2 MR. PELLEGRINI: Why don't we set the  
3 deadline for two weeks from today, and if that proves  
4 to be difficult, we can work something out.

5 WITNESS JUNEAU: Okay. That will be  
6 acceptable.

7 CHAIRMAN JOHNSON: Then we will set the  
8 deadline for the late fileds for two weeks from  
9 today's date. To the extent that there's a problem,  
10 you can let the Commission know; and that relates to  
11 both -- to all four late-filed exhibits.

12 WITNESS JUNEAU: That's agreeable.

13 CHAIRMAN JOHNSON: Are there any other  
14 matters?

15 MR. PELLEGRINI: None that I'm aware of,  
16 Chairman Johnson.

17 CHAIRMAN JOHNSON: Mr. Juneau --

18 MR. PELLEGRINI: Excuse me. I might mention  
19 that briefs are due --

20 CHAIRMAN JOHNSON: You can be excused,  
21 Mr. Juneau.

22 (Witness Juneau excused.)

23 - - - - -

24 MR. PELLEGRINI: February 14th.

25 CHAIRMAN JOHNSON: And the briefing

1 schedule?

2 MR. PELLEGRINI: February 14th.

3 CHAIRMAN JOHNSON: Any further questions?

4 (No response.) Seeing none, this hearing is  
5 adjourned. Thank you very much.

6 (Thereupon, the hearing concluded at  
7 1:25 p.m.)

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1 STATE OF FLORIDA)  
2 :  
3 COUNTY OF LEON )

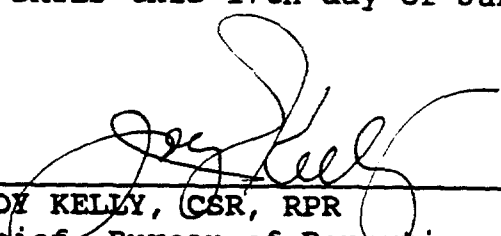
## CERTIFICATE OF REPORTERS

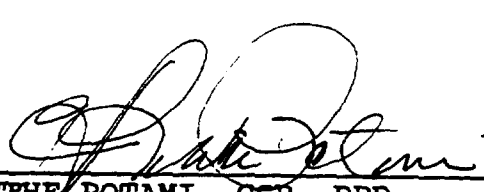
3 We, JOY KELLY, CSR, RPR, Chief, Bureau of  
4 Reporting and RUTHE POTAMI, CSR, RPR, Official  
5 Commission Reporters,

5 DO HEREBY CERTIFY that the Hearing in Docket  
6 No. 931138 was heard by the Florida Public Service  
7 Commission at the time and place herein stated; it is  
8 further

8 CERTIFIED that we stenographically reported  
9 the said proceedings; that the same has been  
10 transcribed under our direct supervision; and that  
11 this transcript, consisting of 197 pages, constitutes  
12 a true transcription of our notes of said proceedings  
13 and the insertion of the prescribed prefilled  
14 testimony of the witness.

11 DATED this 17th day of January , 1997.

13  
14   
15 JOY KELLY, CSR, RPR  
16 Chief, Bureau of Reporting  
17 (904) 413-6732

17  
18   
19 H. RUTHE POTAMI, CSR, RPR  
20 Official Commission Reporter  
21 (904) 413-6732  
22  
23  
24  
25